



CALPEEK

CALIFORNIA POLITICAL WEEK

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WOULD CALIF. WILDFIRE DAMAGE IN 5 COUNTIES BE WORSE IF VLF BACKFILL HAD BEEN PULLED???

Editor's note: There are at least 10 major wildfires burning in five key Southern Calif. counties: Ventura, L.A., San Bernardino, San Diego and Riverside. Lost of life as *Calpeek* hit deadline was 16. Total burned area: more than 900 sq. miles. Total structures(homes) lost: more than 2,000. Calif.'s worst wildfire occurred in the Oakland Hills in 1991 - \$1.75 billion in losses, including 3,000 homes and 25 deaths. This newest series of 10 fires could exceed the Oakland Hills disaster; the cost may top \$2 billion. Here's our update & analysis...

...There is a political side to this huge story. The *L.A. Times* touched upon it in their Oct. 27th editorial - *Heroes Ride on Car Tax*. "Imagine what the toll would be now without the sooty-faced and exhausted firefighters, without the police officers who worked long, smoky hours to evacuate the endangered and prevent looting of what had to be left behind."...

...The message is very clear to incoming Gov. Arnold Schwarzenegger and his staff: you'd better think twice before pulling the trigger to undo the tripling of the VLF(car tax). If Gov. Arnold pulls the trigger *without* the necessary \$4 billion in *backfill* to local government, thousands of police and firefighters (1st responders) will have to be *laid off* by city and county governments. This is because counties and cities use 70% of the VLF to pay for public safety. Given the present circumstances, a move to reduce the car tax *without* the necessary backfill to local government might be politically dangerous, according to *Calpeek* sources, despite previous campaign promises made by Schwarzenegger during the recall...

...However, sources also think Gov.-elect Arnold has gotten the message. Some think he'll *postpone* the VLF decision until the next year (at budget time), while others think he'll still pull the trigger, but will find the necessary \$4 billion in other parts of the current budget to provide the local backfill. That means cuts to other spending. Schwarzenegger is now in DC asking for more money. U.S. Sen. Dianne Feinstein(D) and U.S. Rep. Jerry Lewis

(R-Riverside) are trying to get \$500 million in FEMA disaster assistance...

...Politically, the guy on the hot seat is State Sen. Tom McClintock(R-Camarillo), because he's still got an initiative on the street to totally repeal the VLF. It's not clear if McC's initiative includes backfill for the cities. And in case you have missed it, Simi Valley is in the heart of McC's 19th SD...

...How is the fire situation impacting local government? Money(overtime pay) and resources(equipment) are very tight and our sources say the locals are stretched *thin*. Under mutual aid agreements, many city fire departments are lending both firefighters & equipment and this has caused some cities to *close down* a number of stations. Not a good situation...

...FYI: *arson* is the suspected cause in some of the wildfires. In 1988, the Legislature toughened penalties against arsonists with a 2-bill package by Demos Delaine Eastin & Rusty Areias. And in 1993 (in response to another rash of wildfires), the Legislature approved SB 1309 by Sen. William Craven(R-Carlsbad). If someone is convicted of what is now called *aggravated arson*, punishment is 10 years to life, with no parole until 10 calendar years have passed. SB 1878 (Kopp) beefed up SB 1309 by stating that arson resulting in *death* is a crime eligible for the big needle (death penalty). Stay tuned...

CAMPAIGN 2003: NEWSOM HAS A LOCK ON MAKING RUNOFF FOR S.F. MAYOR. TOSS UP IN DA'S CONTEST

Editor's note: Here's our final and brief update and analysis on the Nov. 4th S.F. municipal election to pick a successor to *termed out* Mayor Willie Brown and see if embattled S.F. DA Terence Hallinan can survive yet another election...

...Sources don't think voter turnout will approach the Oct. 7th level of 59.1% - but of S.F.'s 454,931 registered voters, sources think the turnout will be between 40-50%. In 1999 the turnout in November (for Brown's 2nd term) was 45%. In 1995, the turnout was 52%...

... The mayor's contest first. There's going to be a Dec. 9th runoff to replace *termed out* Willie Brown. All of the polling data seems fairly consistent about one thing: S.F. Co. Sup. Gavin Newsom will be in that runoff. The only question is whom will he face? The latest poll (done for a downtown S.F. business group by pollster David Binder, Oct. 14th release date) shows Newsom with 37%, followed by S.F. Co. Sup. Tom Ammiano at 16%, S.F. Co. Sup. Matt Gonzalez at 11% and former S.F. Co. Sup. Angela Alioto at 10%. S.F. City Treas. Susan Leal and former SFPD Chief Tony Ribera are in the 3rd tier and sources believe they're out of the running. There's about 12% undecided...

...As one source told *Calpeek*, the Nov. 4th contest is really a 3-way "progressive primary between Tom, Matt and Angela." Gonzalez has shown some upward movement in the past week vs. very little movement at all for Alioto and Ammiano. However, Alioto has dumped \$800,000 of her own into the race and she's got those powerful labor unions behind her. Ammiano has that loyal base and is still regarded as the "lion of the left." As for Gonzalez, he is the most liberal of the three – "so much so that he's making Ammiano look like a centrist," another source said...

...Who makes the Dec. 9th runoff with Newsom? Our guess: Alioto...

...In the DAs race, challenger Bill Fazio leads both incumbent Hallinan and deputy city attorney Kamala Harris. The new Binder survey shows Fazio at 26%, Hallinan at 23% and Harris at 15%. Another private poll shows almost the same thing: Fazio 28%, Hallinan 25%, but Harris is now at 20%. Undecideds are running 27-34%, meaning this race is still too close to call. The Bay Area Guardian and S.F. Examiner have endorsed Hallinan, while Asian Week is for Fazio. Harris got a huge break when the S.F. Chron endorsed her – essentially giving her "political absolution" over her ethics violation (breaking her promise not to exceed the S.F. spending cap). Will the S.F. Chron's backing of Harris be enough? Opinion is very divided, but she's well funded and sources think she has an outside shot at making the runoff. However, most sources think it will again be a Hallinan vs. Fazio runoff on Dec. 9th...

...FYI: *Measure G* on S.F. muni ballot. This is a test whether voters are truly interested in **fiscal reform**. The Board of Supes (almost all of them), with a push from S.F. Controller Ed Harrington, labor and business, put G on the ballot. If voters approve this charter amendment, and sources think it will win, it will replace a 2.5% reserve fund with a true *rainy day fund*. In any year when

S.F. collects 5% more money than it collected in the previous year, G would reserve 50% of the overage for a rainy day fund. The city could use the rainy day fund only when it collects less money than in the previous year. Stay tuned...

CAMPAIGN 2004: CALIFORNIA INITIATIVE UPDATE.

Editor's note: CA Sec. of State Kevin Shelley's office has now assigned numbers to a \$12 billion educational facilities bond measure and the **BAA** (Budget Accountability Act). And a new initiative has been introduced by the CTA and actor/director Rob Reiner. Here's our update & analysis...

... The big \$12 billion educational facilities bond is going to be listed as **Prop. 55**, while the BAA initiative will be **Prop. 56**. However, *Calpeek* sources are fairly certain the Calif. Legislature will add at least one or perhaps two *bonds* and a *constitutional amendment* to allow the sale of bonds to support deficit financing. And there are three *referendums* in the works – the one to repeal SB 60 (drivers licenses for non-citizens) and another to repeal SB 205 (added domestic partnership rights)...

● *Invest In Quality Classrooms* – That's what the Calif. Teachers Assn. (CTA) and Reiner are calling their new initiative to raise about \$4.5 billion per year for K-12 and pre-schools. If approved, the initiative would *hike the tax rate on commercial property by .55%*. This amounts to a fundamental change in Prop. 13, because right now all property is taxed at the same 1%. The CTA-Reiner initiative would exclude ag land, timberland and govt. property. It would not hike rates on residential property and it provides personal property tax relief for small businesses. This measure will be submitted to the AG's office for title & summary in a few days and proponents are aiming for the November 2004 ballot. Will this new proposal be another case of **BBGN**? That stands for Big Business Goes Nuts. You bet. Look for a mega-buck campaign by both sides when this initiative qualifies...

◆ The newest referendum given the green light to collect signatures is aimed at repealing SB 2 by Senate Pres. John Burton (D-SF). This new law requires large employers to fund health insurance for their workers. SB 2 does not go into effect until 2006. The proponents of the SB 2 referendum are Allen Zaremberg of the CA Chamber of Commerce and John Dunlap III. Info on this referendum can be obtained at (916)442-1111. The proponents have until Jan. 4, 2004 to collect 373,816 valid signatures. Stay tuned...

CALPEEK'S CALENDAR OF POLITICAL EVENTS

Nov. 4	S.F. Muni Election + other cities
Nov. 6	Pat Brown Inst.'s 11 th annual CA Policy Issues Conf., Wilshire Grand Hotel, L.A.
Nov. 6	Calif. Coalition on Workers' Comp(CCWC) 2003 Fall Legislative Conf., Hollywood, CA Info at (916)441-4111.
Nov. 7	VICA's 15 th annual Business Forecast Conf., Warner Center Marriott Hotel. 8 a.m.-2 p.m.

CAMPAIGN 2004: PRESIDENTIAL POLITICS IN CALIF.

Editor's note: Some recent polling shows slippage by Demo frontrunner Howard Dean as former Gen. Wesley Clark eats into Dean's numbers here in Calif. Here's our brief update & analysis...

...In late August when pollster Mervin Field surveyed here in Calif. among likely Demo voters, Gen. Clark was just a blip at 4%. What a difference a month makes! Here's the most recent Field poll among top tier Demos (side-by-side with the Field poll from early Sept.)...

	<u>early Sept.</u>	<u>late Sept.</u>
Howard Dean	23%	14%
Joe Lieberman	15%	14%
Wesley Clark	4%	17%
John Kerry	11%	9%
Dick Gephardt	8%	5%

...Clark, who says he was opposed to the war with Iraq, has taken voters from Dean. And when matched against Pres. George W. Bush here in Calif., Clark is the only one who defeats GWB: 45% to 43%. Gephardt comes close with a 45/43 loss to GWB. Nationally, in a *Newsweek* poll (377 registered Demos, Oct. 9-10), Clark leads the field with 15%, followed by Lieberman 13%, Kerry 11%, Dean 10% and Gephardt at 8%. 23% are for others and 20% is undecided...

...As for the polls in Iowa, New Hampshire and South Carolina, a new series of surveys by Greenberg Quinlan Rosner Research (Oct. 2-13 – 489 in Iowa, 536 in NH and 488 in So. Carolina) shows the following. In Iowa Gephardt leads Dean 27% to 26%, with Kerry at 16%. In NH, Dean 38%, Kerry 21% and Clark 11%. And in SC, it's Edwards 14%, Gephardt 13% and Clark 12%...

...Back to Calif. For those who may have missed it, Dean got a big boost by winning the endorsement of the Calif. Teachers Assn. (CTA). And longtime gay Demo activist and fundraiser David Mixner has been name co-chair of Gephardt's campaign. Mixner, who now lives in

DC, but used to live in West Hollywood, was a sr. campaign advisor to former Pres. Bill Clinton in the 1992 campaign. Mixner is a past member of the DNC and is a former national co-chair of the Gay & Lesbian Victory Fund. Stay tuned...

CAMPAIGN 2004: UPDATE ON LEGISLATIVE RACES.

Editor's note: Here is *Part XXVI* in our continuing series of updates about key U.S. House and Calif. Legislative primary races...

☒ ***3rd CD Update*** – Former AG and Congressman Dan Lungren(R) has made it official: he's in as a GOP candidate seeking to replace U.S. Rep. Doug Ose(R-Sacto), who is retiring after 3 terms. Lungren, who served five terms in the U.S. House before being elected AG in 1990, announced on Oct. 28th. Endorsing Lungren at his announcement news conference were Sacto DA Jan Scully, Sacto Co. Sheriff Lou Blanas, and recall proponent Ted Costa. Lungren chief GOP rival is State Sen. Rico Oller. Oller's campaign reported raising \$428,661, with \$365,532 cash on hand...

☒ ***Demos Not Running for SD Seats*** – Demo State Senate Leader John Burton is going to have to do some recruiting because two Demo Assemblymembers who were seriously exploring SD runs in 2004 have recently pulled the plug. In the **19th SD** (GOPer Tom McClintock's SD), Demo Hannah-Beth Jackson of Santa Barbara won't be running. And in the **15th SD** (GOPer Bruce McPherson's SD) Demo Rebecca Cohn(24th AD) has decided not to run for this OPEN seat and instead will seek reelection. This was somewhat of a shock, as Cohn had already recruited Santa Clara Co. Sup. Jim Beall(D) to run for her seat. He too has pulled the plug on his 24th AD campaign...

☒ ***76th AD Update*** – The campaign of Demo Heidi von Szeliski asked *Calpeek* to clarify a story we wrote in our Oct.20th edition in which we said von Szeliski's polling firm, Decision Research, worked for Wal-Mart. For the uninformed, Wal-Mart is not exactly "labor friendly" and now that von Szeliski is running for the Assembly, Wal-Mart could present a problem. Heidi's team said she personally was not involved on that campaign where Wal-Mart was involved (it was DR partner Bob Meadow who did the work). We accept that explanation, although she is a sr. partner...

...In 1999, DR was hired to do polling for a committee opposing a land use initiative in Huntington Beach. Measure I's aim was to block a plan by a school board to lease land to Wal-Mart. The committee which DR worked for was called *Save Our Schools, Save Our City, NO on Measure I* -

Coalition of Taxpayers, Parents, Educators, Public Safety Officials, Business Leaders, and Wal-Mart Stores. In fact, Wal-Mart was the major donor to the campaign. In a letter to “*My Democratic Friends*,” Heidi admitted as much (“We subsequently found out that Wal-Mart provided much of the financial backing for the school district and city’s position against rezoning.”)...

...*Calpeek* also noted that Decision Research(DR) even had a Wal-Mart *logo* on their webpage (removed this past summer), to describe DR’s work. Here’s the explanation: “The Wal-Mart logo was placed on the DR website in error by an intern who wrote a synopsis of the campaign for the site, based on press reports.” The logo was there for nearly 4 years. Will this Wal-Mart flap be a big issue in the Demo primary? Probably. But von Szeliski isn’t alone when it comes to Wal-Mart linkage. One of Heidi’s Demo rival, Vince Hall, took \$2,000 from the Arkansas-HQed firm when he ran in the 78th AD last year...

☒ **70th AD Update** – There’s some new polling in the 70th AD in Orange Co., but the undecided vote is the big winner – not any of the candidates. The 70th AD is solid GOP turf (Demos need not apply). There are 4 GOP rivals: businessman Chuck DeVore, businesswoman Cristi Cristich, So. Orange Co. Community College trustee Don Wagner and businesswoman Marianne Zippi. The survey by pollster Adam Probolsky shows DeVore with 11.7%, Wagner 5.5%, Zippi 1.8%, Cristich 1.2%, unsure 79.4% and refused .4%. The poll was conducted Oct. 18-20 among 325 GOP voters and was not done for any of the above candidates. Stay tuned...

CALPEEK’S INFOBAHN: POLITICAL SHORT TAKES.

Editor’s note: Here are a few items, political & otherwise, worth noting...

■ **Recall Turnout** – As *Calpeek* hit deadline, the voter turnout for the Oct. 7th recall hit 60% with 149,250 ballots still uncounted...

■ **Referendum on L.A. Lap Dancing Law** – For those outside of L.A., the city council recently passed a new law which bans exotic dancers (aka strippers) from coming within 6 feet of customers, and bans direct tipping. There are some 42 adult entertainment clubs in this city of nearly 4 million. The adult entertainment clubs have now collected 106,000 signatures on a referendum petition. Progressive Campaigns of Santa Monica collected the signatures and consultant Steve Afriat is the campaign manager – if it comes to a ballot fight. Only 56,941 signatures were required, so the 106,000 is nearly twice the

number needed. It’s now up the council to either: 1) rescinding the new law or 2) pay to put the referendum on the ballot – and that would cost taxpayers about \$1 million. Afriat told *Calpeek* that the way the law is written, it’s totally unworkable...

■ **A Credible Rival for Mayor Murphy** – San Diego Mayor Dick Murphy is no long a complete slam dunk for reelection next year. Wealthy San Diego Port Commissioner Peter Q. Davis is expected to announce his candidacy soon. The two were friends, but no longer. Murphy appointed Davis to the Port Commission last year. According to San Diego *Union Trib* writer Philip LaVelle, Murphy only rates Davis a 5 on a 1-10 scale. But with all that Davis \$\$\$, Murphy may be in for a tough reelection battle...

CALPEEK’S NEW CAMPAIGN DIRECTORY ON SALE

Calpeek’s 2003-04 Directory of Campaign Consultants is now on sale to subscribers only. The 60-page Directory contains more than 300 listings of consultants, campaign managers, pollsters, fundraisers, election law attorneys, FPPC-FEC specialists and slates makers. The cost is a low \$30. Checks only, no credit cards and absolutely no invoicing. Send checks to *Calpeek* @ P.O. Box 1468, Beverly Hills, CA 90213. Be sure to include either a businesscard or a short note with the name of the person who is receive the Directory. We’ll be sending the Directory via 1st class mail. Non-subscribers should contact *Calpeek* (310)659-0205 to inquire about a subscription...

CALPEEK’S NEW JOBS AND PERSONNEL NOTICES.

Editor’s note: Here are some items to mark down in your notebook...

● The campaign firm The Next Generation (Doug Linney) has a slight change in address. They’re in the same building at 1904 Franklin St., but are now in suite 609, Oakland, CA 94612 (510)444-4710...

● The Afriat Consulting Group has relocated to 4107 Magnolia Boulevard, Burbank, CA 91505. Same phone (323)856-7070...

● Sacto-based Perry Communications Group is staying put at 925 “L” Street, but is moving upstairs to #1200 on Nov. 1st. Sacramento 95815. Same phone(916)658-0144..

● Veteran L.A. journalist and p/a specialist Fred Muir has opened his own firm – Fred Muir & Associates. (310) 278-9321...

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